

ORIGINAL

NEW APPLICATION  
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2009 NOV 13 P 12:55

AT CORP COMMISSION  
DOCKET CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

KRISTIN K. MAYES, CHAIRMAN  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

Arizona Corporation Commission

**DOCKETED**

**NOV 13 2009**

DOCKETED BY

**APPLICATION OF MOUNT TIPTON  
WATER CO., INC. FOR AN INCREASE  
IN ITS WATER RATES**

Docket No. **W-02105A-09-0522**

**RATE APPLICATION**

The Mount Tipton Water Company, Inc. ("Company" or "Applicant"), hereby  
applies for an increase in its water rates.

**SUPPORTING DOCUMENTATION**

Pursuant to A.A.R. Rule 14-2-103, the Company submits the following  
documentation in support of the proposed increase in rates and charges:

- Direct Testimony of Sonn S. Rowell (see Exhibit 1);
- Required Schedules, Statements, and Documentation (see Exhibit 2);
- Water Use Data Sheets (see Exhibit 3);

- 1 • Plant Descriptions (see Exhibit 4);
- 2 • ADEQ Compliance Status Report (see Exhibit 5); and
- 3 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 6).

4 RESPECTFULLY SUBMITTED this 13<sup>th</sup> day of November, 2009.

5  
6 **MOYES SELLERS & SIMS**

7  
8 

9 Steve Wene

10 Attorneys for Mount Tipton Water Co., Inc.

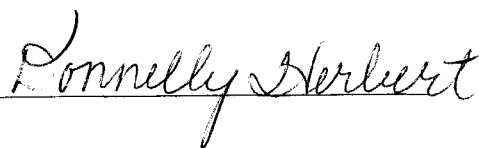
11  
12 Original and 13 copies of the foregoing  
13 filed this 13<sup>th</sup> day of November, 2009, with:

14 Docket Control  
15 Arizona Corporation Commission  
16 1200 West Washington  
17 Phoenix, Arizona 85007

18 Copy of the foregoing mailed this  
19 13<sup>th</sup> day of November, 2009, to:

20 Janice Alward, Chief Counsel  
21 Legal Division  
22 Arizona Corporation Commission  
23 1200 W. Washington Street  
24 Phoenix, Arizona 85007

25 Ernest Johnson, Director  
26 Utilities Division  
27 Arizona Corporation Commission  
28 1200 West Washington Street  
Phoenix, Arizona 85007



# **EXHIBIT 1**

1                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3           **COMMISSIONERS**

4           KRISTIN K. MAYES, CHAIRMAN

5           GARY PIERCE

6           PAUL NEWMAN

7           SANDRA D. KENNEDY

8           BOB STUMP

9           APPLICATION OF MOUNT TIPTON  
10          WATER COMPANY, INC. FOR AN  
11          INCREASE IN ITS WATER RATES

**DIRECT TESTIMONY OF  
SONN S. ROWELL**

12  
13       **Q-1    Please state your name and current employment position:**

14       **A-1    My name is Sonn S. Rowell, and I am a Certified Public Accountant and**  
15       managing member of Desert Mountain Analytical Services, PLLC.

16  
17       **Q-2    Describe your educational and professional background:**

18       **A-2    I have a Bachelor of Science Degree in Accounting from Arizona State University,**  
19       as well as my CPA certification from the Arizona State Board of Accountancy. I have  
20       worked for many years in the practice of public accounting, and have held part-time  
21       teaching positions at Mesa Community College. After employment with the Utilities  
22       Division of the Arizona Corporation Commission for four years, I started DMAS and  
23       now specialize in regulatory accounting and consulting.  
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1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by Mount Tipton Water Company, Inc. ("MTWC" or  
3 "Company") to perform a financial analysis of their books and records in order to prepare  
4 a rate application for submittal to the Arizona Corporation Commission ("Commission")  
5 to comply with Commission orders.  
6

7 **Q-4 What is the purpose of your testimony?**

8 **A-4** The purpose of my testimony is to present my analysis and recommendations  
9 concerning the development of the Company's gross revenue requirement, taking into  
10 account adjusted rate base, adjusted operating income, working capital requirements, the  
11 current rate of return for the historic twelve month period, required operating income, the  
12 proposed rate of return, and other relevant factors. I will also sponsor certain exhibits in  
13 support of the rate application.  
14  
15

16 **Q-5 Please summarize the Company's proposal.**

17 **A-5** The Company is seeking an increase in net revenue of \$58,967, or a rate increase  
18 of 18.81%. The amount of increase necessary to the revenue requirement per Schedule  
19 A-1 is \$78,014, however, MTWC is currently collecting an emergency surcharge  
20 included in current rates that serves to offset the total amount of the increase. The  
21 Company is requesting discontinuance of the emergency surcharge at the time new rates  
22 are approved as the proposed rates are designed to satisfy estimated expense levels  
23 without the separate \$10 per month surcharge.  
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1 **Q-6 What is the basis for your recommendation?**

2 **A-6** I analyzed the Company's records to determine its adjusted revenues and expenses  
3 during the test year ending June 30, 2009. Next, I calculated the proposed revenue  
4 requirement in order to ensure the Company can earn sufficient revenue to pay prior  
5 liabilities, current expenses, and provide adequate and reliable water service. Based  
6 upon my analysis, I have prepared the schedules in accordance with A.A.C. Rule  
7 14-2-103 that are set forth in Application Exhibit 2, which I adopt as part of my  
8 testimony.  
9  
10

11 **Q-7 Regarding Application Income Statement C-1, why was the adjustment (A) to**  
12 **metered water revenue for \$2,764 made?**

13 **A-7** This adjustment is comprised of two factors. First, a programming error in the  
14 water billing system caused customers whose monthly usage reached the third  
15 commodity tier to be under charged by \$.01 to \$4.00, depending on usage. The effect of  
16 this problem is estimated to be about \$2,387 for the test year, and has been corrected.  
17 The second part of this adjustment (\$377) is attributed to the 1 inch meter customer, and  
18 a "grandfathered" agreement to charge this customer 5/8 inch meter rates. This has been  
19 discontinued and the 1 inch customer is being charged tariff rates now. Of the \$377  
20 adjustment, \$15 is the result of the aforementioned billing problem in the third tier.  
21  
22

23 **Q-8 Why was adjustment (B) to Surcharge Revenue made for (\$21,810)?**

24 **A-8** That amount reflects how much revenue was generated by the emergency  
25 surcharge during the three months of the test year it was in effect. The surcharge is set to  
26  
27  
28

1 expire at the end of the year, or upon issuance of new rates, so this amount of revenue is  
2 included in the proposed revenue requirement and rate design for metered water revenue.

3 **Q-9 Please explain adjustment (C) to Repairs and Maintenance for \$6,863.**

4 **A-9** Adjustment (C) is comprised of four invoices from the test year that are labeled as  
5 repair, and were capitalized. These four invoices were excluded from test year plant  
6 additions, and this adjustment reclassifies these costs to Repairs and Maintenance. The  
7 invoice detail is as follows:  
8

9

Vendor	Reason	Amount
Hughes Supply	Ford fittings	\$876
HD Supply Waterworks	Main break	\$776
A-1 Well Service and Supply	Repairs	\$711
A-1 Well Service and Supply	Clean Chambers well	\$4,500

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17  
18 **Q-10 Are adjustments (D) for \$250 to Office Supplies and Expense and adjustment**  
19 **(E) to Regulatory Commission expense for (\$5,350) related?**

20 **A-10** Yes. The adjustment to Regulatory Commission Expense reclassifies the cost of a  
21 CD for a Letter of Credit for \$5,100 to account 135 as reflected on Schedule E-1. The  
22 balance of adjustment E, \$250, reclassifies bank fees to Office Supplies as adjustment D.

23  
24 **Q-11 Please explain adjustment (F) to Rate Case Expense for \$6,667.**

25 **A-11** Rate case expense is estimated to cost \$20,000, and is amortized over three years.  
26  
27  
28

1 **Q-12 Please explain adjustment (G) to Miscellaneous Expense.**

2 **A-12** The Company currently pays \$1,780.09 per month in fees to WIFA for the loan.

3 The adjustment of \$9,109 reflects the increase in expense necessary to include an annual  
4 expense level of \$21,361 for these fees.  
5

6 **Q-13 What are factors in the \$180 adjustment (H) to depreciation expense?**

7 **A-13** This adjustment was made to reflect proposed depreciation expense of \$48,692  
8 less amortization of Contributions in Aid of Construction of \$13,419, or \$35,273.  
9

10 **Q-14 Why did you increase franchise taxes by \$681 in adjustment (I)?**

11 **A-14** MTWC is required to pay a franchise tax of 2% of gross revenue to Mohave  
12 County. This adjustment increases franchise tax to equate 2% of actual test year revenue  
13 (\$313,538 times 2%), or \$6,271.  
14

15 **Q-15 Why did you make adjustment (J) to other income and expenses below test**  
16 **year operating income?**

17 **A-15** Adjustment (J) removes a prior period adjustment recorded on the books for  
18 \$34,387 during the test year that is non-recurring.  
19

20 **Q-16 How did you calculate the amount of \$78,014 for adjustment (K)?**

21 **A-16** The proposed increase amount to metered water revenue is calculated on Schedule  
22 A-1, and appears on Line 8.  
23

24 **Q-17 Why was adjustment (L) made to Franchise Taxes?**

25 **A-17** This adjustment increases franchise tax based on the proposed increase to revenue.  
26  
27  
28



1 **Q-18 Is there anything unusual about this application that you would like to**  
2 **discuss?**

3 **A-18** Yes. MTWC has a coin operated vending machine that dispenses water to  
4 customers. Currently, customers get about 58 gallons for a quarter, however, due to  
5 customers turning off the machine when their container is full, actual sales are closer to  
6 49.7 gallons per quarter (14.33% average decrease). To increase revenue in this  
7 category, but yet remain competitive with other water vending machines in the area, the  
8 company proposes decreasing the gallons sold per quarter from 58 to 40. Proposed  
9 revenue is based upon the 40 gallons per quarter reduced by the "early turn off" factor of  
10 14.33%, or 34.3 gallons. When this amount is divided into the test year gallons from the  
11 coin machine (3,309,200), it is estimated the company will receive 96,567 quarters at  
12 proposed rates, or \$24,142.  
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# **EXHIBIT 2**

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: A-1**  
**Title: Computation of Increase in Gross Revenue Requirements.**

Explanation:  
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Special Reqmt	<input type="checkbox"/>

	Original Cost		RCND
1. Adjusted Rate Base	\$ 588,112 (a)	\$	588,112 (a)
2. Adjusted Operating Income	\$ (17,643) (b)	\$	(17,643) (b)
3. Current Rate of Return	0.00%		0.00%
4. Required Operating Income	\$ 58,811	\$	58,811
5. Required Rate of Return	10.00%		10.00%
6. Operating Income Deficiency (4 - 2)	\$ 76,454	\$	76,454
7. Gross Revenue Conversion Factor	1.0204 (c)		1.0204 (c)
8. Increase in Gross Revenue Requirements (6 x 7)	\$ 78,014	\$	78,014

Customer Classification	Revenue at Present Rates	Revenue at Proposed	Dollar Increase	Percent Increase	
Residential	\$ 235,773	\$ 300,844	\$ 65,071	27.60%	(d)
Commercial	31,882	40,096	8,214	25.76%	
Emergency Surcharge	21,810	-	(21,810)	-100.00%	
Coin Operated	16,650	24,142	7,492	45.00%	
Other	7,424	7,424	-	0.00%	
Total	\$ 313,538	\$ 372,506	\$ 58,967	18.81%	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: A-2**  
**Title: Summary Results of Operations**

**Explanation:**

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 299,492	\$ 285,932	\$ 313,538	\$ 294,492	\$ 294,492	\$ 372,506
2. Revenue Deductions & Operating Expenses	(325,885)	(328,582)	(293,735)	(312,135)	(312,135)	(313,696)
3. Operating Income	\$ (26,393)	\$ (42,650)	\$ 19,803	\$ (17,643)	\$ (17,643)	\$ 58,811
4. Other Income and Deductions	3,662	50,202	46,393	11,556	11,556	11,556
5. Interest Expense	19,738	18,001	13,507	13,507	13,507	13,507
6. Net Income	\$ (42,469)	\$ (10,449)	\$ 52,689	\$ (19,594)	\$ (19,594)	\$ 56,860

7. Earned Per Average Common Share\*
8. Dividends Per Common Share\*
9. Payout Ratio\*
10. Return on Average Invested Capital
11. Return on Year End Capital
12. Return on Average Common Equity
13. Return on Year End Common Equity
14. Times Bond Interest Earned - Before Inc Tax
15. Times Total Interest and Preferred Dividends  
Earned - After Income Taxes

Ratios not meaningful due to negative equity amount.

**Supporting Schedules:**

- (a) E-2
- (b) C-1
- (c) F-1

\*Optional for projected year

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: A-4**

**Title: Construction Expenditures and  
Gross Utility Plant in Service**

**Explanation:**

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

<b>Year</b>	<b>Construction Expenditures (a)</b>	<b>Net Plant Placed In Service (b)</b>	<b>Gross Utility Plant In Service</b>
1. Prior Year 1 - 2007	\$ 35,615	\$ 35,615	\$ 1,677,229
2. Prior Year 2 - 2008	31,639	31,639	1,708,868
3. Test Year - 06/30/2009	18,713	18,713	1,727,581
4. Projected Year - 06/30/10	140,000	140,000	1,867,581
5. Projected *			
6. Projected *			

**\* Required only for Class A and B Utilities**

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) F-3
- (b) E-5

**Mount Tipton Water Company, Inc.**  
 Test Year Ended June 30, 2009

**Schedule: B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
 Schedule showing elements of adjusted original cost  
 and RCND rate bases.

**Required for:** All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Specl Reqmt ☐

	<b>Original Cost</b> <b>Rate Base*</b>	<b>RCND</b> <b>Rate Base*</b>
1. Gross Utility Plant in Service	\$ 1,727,581	\$ 1,727,581
2. Less: Accumulated Depreciation	(1,147,977)	(1,147,977)
3. Net Utility Plant in Service	\$ 579,604 (a)	579,603.66 (b)
<b>Less:</b>		
4. Advances in Aid of Construction	22,612 (c)	22,612 (c)
5. Contributions in Aid of Construction (net)	67,502 (c)	67,502 (c)
<b>Add:</b>		
6. Allowance for Working Capital	98,622 (d)	98,622 (d)
7. Total Rate Base	\$ 588,112 (e)	\$ 588,112 (e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) B-2 (d) B-5

(b) B-3

(c) E-1

Recap Schedules:

(e) A-1

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: B-2  
Title: Original Cost Rate Base  
Proforma Adjustments

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	Actual at End Of Test Year (a)	Pro forma Adjustment	Adjusted at End Of Test Year (b)
1. Gross Utility Plant in Service	\$ 1,727,581		\$ 1,727,581
2. Less: Accumulated Depreciation	(1,147,977)		(1,147,977)
3. Net Utility Plant in Service	\$ 579,604	\$ -	\$ 579,604

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

**Schedule: B-5**  
**Title: Computation of Working Capital**

Explanation:  
Schedule showing computation of working capital allowance.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 1,539	
1/24th Purchased Water	171	
1/8th Operation & Maintenance Expense	29,478	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	67,434	(a)
4. Total Working Capital Allowance	<u>\$ 98,622</u>	(b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1



Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: C-1  
Title: Adjusted Test Year Income Statement

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Description	Actual for Test Year Ended (a) 30-Jun-09	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>						
460 Unmetered Water Revenue	\$ 100		\$ -	\$ 100		\$ 100
461 Metered Water Revenue	267,655	A	2,764	270,419	K \$ 70,522	340,941
461.1 Coin-Operated Sales	16,650			16,650	K 7,492	24,142
474 Other Water Revenue	7,324			7,324		7,324
474.1 Surcharge Revenue	21,810	B	(21,810)	-		-
<b>Total Operating Revenue</b>	<b>\$ 313,538</b>		<b>\$ (19,046)</b>	<b>\$ 294,492</b>	<b>\$ 78,014</b>	<b>\$ 372,506</b>
<b>Operating Expenses:</b>						
601 Salaries & Wages	\$ 93,529			\$ 93,529		\$ 93,529
610 Purchased Water	4,109			4,109		4,109
615 Purchased Power	36,926			36,926		36,926
618 Chemicals				-		-
620 Repairs & Maintenance	7,501	C	6,863	14,364		14,364
621 Office Supplies and Expense	14,126	D	250	14,376		14,376
630 Outside Services	7,155			7,155		7,155
635 Water Testing	3,716			3,716		3,716
641 Rental Expense	6,582			6,582		6,582
650 Transportation Expense	9,746			9,746		9,746
657 Insurance - General Liability	22,503			22,503		22,503
659 Insurance - Health and Life				-		-
665 Regulatory Commission Expense	5,350	E	(5,350)	-		-
666 Rate Case Expense		F	6,667	6,667		6,667
675 Miscellaneous Expense	12,252	G	9,109	21,361		21,361
403 Depreciation & Amortization	35,093	H	180	35,273		35,273
408 Property Taxes	17,019			17,019		17,019
408.1 Taxes Other Than Income	12,538			12,538		12,538
408.2 Franchise Taxes	5,590	I	681	6,271	L 1,561	7,832
409 Income Taxes	\$ -			-		-
<b>Total Operating Expenses</b>	<b>\$ 293,735</b>		<b>\$ 18,400</b>	<b>\$ 312,135</b>	<b>\$ 1,561</b>	<b>\$ 313,696</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 19,803</b>		<b>\$ (37,446)</b>	<b>\$ (17,643)</b>	<b>(c) \$ 76,453</b>	<b>\$ 58,811</b>
<b>Other Income/(Expense):</b>						
419 Interest and Dividend Income	\$ 106			\$ 106		\$ 106
419.1 Rental Income	11,450			11,450		11,450
421 Non-Utility Income	34,837	J	(34,837)	-		-
426 Miscellaneous Non-Utility Expenses	-			-		-
427 Interest Expense	(13,507)			(13,507)		(13,507)
<b>Total Other Income/(Expense)</b>	<b>\$ 32,886</b>		<b>\$ (34,837)</b>	<b>\$ (1,951)</b>	<b>\$ -</b>	<b>\$ (1,951)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 52,689</b>		<b>\$ (72,283)</b>	<b>\$ (19,594)</b>	<b>\$ 76,453</b>	<b>\$ 56,860</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2 (b) C-2

Recap Schedules:  
(c) A-1

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: C-2  
Title: Income Statement Proforma  
Adjustments

X					
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Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specd Reqmt

Explanation:  
Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	Total (a) Adjustments
Revenues:													
Metered Water Revenue	\$ 2,764										\$ 78,014		\$ 80,778
Surcharge Revenue		(21,810)											(21,810)
Expenses:													
Repairs & Maintenance			6,863										\$ 6,863
Office Supplies and Expense				250									250
Regulatory Commission Expense					(5,350)								(5,350)
Rate Case Expense						6,667							6,667
Miscellaneous Expense							9,109						9,109
Depreciation & Amortization								180					180
Franchise Taxes									681			1,561	2,242
Other Income/(Expense):													
Non-Utility Income										(34,837)			\$ (34,837)

Adjustment Descriptions:

- A - Increase Metered Water Revenue to adjust for under billing to fire department and Tier 3 programming error.
- B - Decrease Surcharge revenue to remove partial amount from test year. Surcharge is temporary, and sufficient revenue to meet adjusted expense is built into base rates.
- C - Increase Repairs and Maintenance for amounts incorrectly capitalized for repairs.
- D - Increase Office Supplies and Expense for bank charges reclassified from Regulatory Commission Expense.
- E - Reduce Regulatory Commission Expense by \$5,100 to reclassify CD to Balance sheet and \$250 to Office Supplies for bank charges.
- F - Increase Rate Case Expense to include \$20,000 in estimated expenses amortized over three years.
- G - Increase Miscellaneous Expense to include annualized amount for WIFA service fees paid monthly.
- H - Increase depreciation expense to reflect test year end plant balances at proposed depreciation rates.
- I - Increase Franchise Taxes to reflect an expense level of 2% of revenue.
- J - Remove non-recurring prior period adjustment.
- K - Increase Revenue per calculations on Schedule A-1
- L - Increase Franchise Taxes to reflect an expense level of 2% of proposed revenue.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:

Recap Schedules:  
(a) C-1

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

**Schedule: C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
Schedule showing incremental taxes on gross revenues and  
the development of a gross revenue conversion factor.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Description	Calculation
Revenue	100.0000%
Less: County Franchise Tax @ 2.00%	-2.0000%
Operating Income	<hr/> 98.0000%
Gross Revenue Conversion Factor = 1/Operating Income %	1.0204

Note: All tax percentages shall include the effect of other taxes upon the incremental rate. The applicant may use other formulas in developing the conversion factor.

Supporting Schedules:

Recap Schedules:  
(a) A-1

**Mount Tipton Water Company, Inc.**

Test Year Ended June 30, 2009

**Schedule: D-1****Title: Summary Cost of Capital****Explanation:**Schedule showing elements of capital structure  
and the related cost.

Required for All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specd Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)								
USDA RD 91-03	\$ 58,993	7.59%	4.5000%	0.3415%	\$ 58,993	7.59%	4.5000%	0.3415%
USDA RD 91-05	67,159	8.64%	4.5000%	0.3888%	67,159	8.64%	4.5000%	0.3888%
WIFA Loan	651,235	83.77%	4.7250%	3.9582%	651,235	83.77%	4.7250%	3.9582%
Short-Term Debt (a)	-				-			0.00%
Common Equity (c)	(364,892)	0.00%	10.00%	0.00%	(364,892)	0.00%	10.00%	0.00%
Total†	\$ 777,387	100.00%		4.6885%	\$ (364,892)	100.00%		4.6885%

†Note: Negative equity is assumed to be zero for these calculations.

## Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

## Recap Schedules:

- (e) A-3

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: E-1**  
**Title: Comparative Balance Sheet**

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

**Explanation:**

Schedule showing comparative balance sheets at the end of the test year and the 2 fiscal years ended prior to the test year.

	<b>Test Year At 30-Jun-09</b>	<b>Prior Year 31-Dec-08</b>	<b>Prior Year 31-Dec-07</b>
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 1,727,581	\$ 1,708,868	\$ 1,677,229
105 Construction Work in Process	-	-	-
108 Accumulated Depreciation	(1,147,977)	(1,126,204)	(1,078,516)
121 Non-Utility Property			
Total Property Plant & Equipment	\$ 579,604	\$ 582,664	\$ 598,713
Current Assts:			
131 Cash	\$ 18,422	\$ 14,067	\$ 11,984
135 Temporary Cash Investments	5,100		
141 Customer Accounts Receivable	30,081	18,067	20,136
146 Notes/Receivables from Associated Companies			
151 Plant Material and Supplies			
162 Prepayments	67,434	66,242	77,869
174 Miscellaneous Current and Accrued Assets			
Total Current Assets	\$ 121,037	\$ 98,376	\$ 109,989
<b>TOTAL ASSETS</b>	<b>\$ 700,641</b>	<b>\$ 681,040</b>	<b>\$ 708,702</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued			
211 Paid in Capital in Excess of Par Value			
215 Retained Earnings	(364,892)	(406,353)	(436,426)
Total Capital	\$ (364,892)	\$ (406,353)	\$ (436,426)
Current Liabilities:			
231 Accounts Payable	\$ 91,178	\$ 89,609	\$ 73,889
232 Notes Payable (Current Portion)			
234 Notes/Accounts Payable to Associated Companies			
235 Customer Deposits	14,940	16,241	44,744
236 Accrued Taxes	88,324	75,816	55,784
241 Miscellaneous Current and Accrued Liabilities	3,590	11,783	8,800
Total Current Liabilities	\$ 198,032	\$ 193,449	\$ 183,217
224 Long-Term Debt (Over 12 Months)	\$ 777,387	\$ 787,330	\$ 836,603
Deferred Credits:			
251 Unamortized Premium on Debt	\$ -	\$ -	\$ -
252 Advances In Aid Of Construction	22,612	32,403	37,678
271 Contributions In Aid Of Construction	347,002	347,002	347,002
272 Less: Amortization of Contributions	(279,500)	(272,791)	(259,372)
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ 90,114	\$ 106,614	\$ 125,308
Total Liabilities	\$ 1,065,533	\$ 1,087,393	\$ 1,145,128
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 700,641</b>	<b>\$ 681,040</b>	<b>\$ 708,702</b>
Supporting Schedules:	Recap Schedules:		
(a) E-5	(b) A-3		

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: E-2**  
**Title: Comparative Income Statements**

Explanation:  
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specil Reqmt ☐

	Test Year Ended 30-Jun-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
460 Unmetered Water Revenue	\$ 100	\$ 10,555	\$ 1,673
461 Metered Water Revenue	284,304	264,334	283,317
474 Other Water Revenue	29,134	11,043	14,502
Total Revenues	\$ 313,538	\$ 285,932	\$ 299,492
Operating Expenses (a)			
601 Salaries & Wages	\$ 93,529	\$ 85,669	\$ 75,694
610 Purchased Water	4,109		
615 Purchased Power	36,926	35,581	35,535
618 Chemicals	-		
620 Repairs & Maintenance	7,501	12,647	13,861
621 Office Supplies and Expense	14,126	19,907	12,115
630 Outside Services	7,155	13,972	27,734
635 Water Testing	3,716	3,833	2,669
641 Rental Expense	6,582		
650 Transportation Expense	9,746	11,426	9,469
657 Insurance - General Liability	22,503	24,682	23,159
659 Insurance - Health and Life	-		
665 Regulatory Commission Expense	5,350		
666 Rate Case Expense	-		2,537
675 Miscellaneous Expense	12,252	29,632	
403 Depreciation & Amortization	35,093	57,867	81,240
408 Property Taxes	17,019	14,769	20,582
408.1 Taxes Other Than Income	12,538	18,597	21,290
408.2 Franchise Taxes	5,590		
409 Income Taxes	-		
Total Operating Expenses	\$ 293,735	\$ 328,582	\$ 325,885
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 19,803</b>	<b>\$ (42,650)</b>	<b>\$ (26,393)</b>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ 106	\$ 166	\$ 218
419.1 Rental Income	11,450	15,199	11,350
421 Non-Utility Income	34,837		
426 Miscellaneous Non-Utility Expenses	-	34,837	(7,906)
427 Interest Expense	(13,507)	(18,001)	(19,738)
Total Other Income/(Expense)	\$ 32,886	\$ 32,201	\$ (16,076)
<b>NET INCOME/(LOSS)</b>	<b>\$ 52,689</b>	<b>\$ (10,449)</b>	<b>\$ (42,469)</b>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**Mount Tipton Water Company, Inc.**  
Test Year Ended June 30, 2009

**Schedule: E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Account Number	Description	End of Prior Year at 30-Jun-08	Net Additions	End of Test Year at 30-Jun-09
301	Organization	\$ 17,450		\$ 17,450
302	Franchises	500		500
303	Land & Land Rights	9,842		9,842
304	Structures & Improvements	82,684		82,684
307	Wells & Springs	448,894	22,441	471,335
311	Pumping Equipment	24,239	1,684	25,923
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plant	-		-
320.2	Solution Chemical Feeders	53,075		53,075
330	Distr Res/Standpipes	-		-
330.1	Storage Tanks	166,480		166,480
330.2	Pressure Tanks	-		-
331	T&D Mains	685,818		685,818
333	Services	69,633		69,633
334	Meters & Meter Installations	57,887	1,876	59,763
335	Hydrants	1,230		1,230
339	Other Plant and Misc Equipment	998		998
340	Office Furniture & Equipment	18,691	1,165	19,856
340.1	computers	-		-
341	Transportation Equipment	31,671	2,000	33,671
343	Tools, Shop, and Garage Equipment	9,288	(2,303)	6,985
345	Power Operated Equipment	167		167
347	Miscellaneous Equipment	8,464		8,464
348	Other Tangible Plant	13,707		13,707
<b>Total Plant In Service</b>		<b>\$ 1,700,718</b>	<b>\$ 26,863</b>	<b>\$ 1,727,581</b>
Accumulated Depreciation		1,102,360	45,617	1,147,977
Net Plant In Service		<b>\$ 598,358</b>	<b>\$ (18,754)</b>	<b>\$ 579,604</b>
Construction Work in Process		-	-	-
<b>Total Net Plant</b>		<b>\$ 598,358</b>	<b>\$ (18,754)</b>	<b>\$ 579,604</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**Mount Tipton Water Company, Inc.**  
 Test Year Ended June 30, 2009

**Schedule: E-7**  
**Title: Operating Statistics**

**Explanation:**

Schedule showing key operating statistics in comparative format,  
 for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

	Test Year Ended 30-Jun-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Water Statistics:</b>			
Gallons Sold - By Class of Service:			
Residential	25,696,810	32,814,404	32,539,056
Commercial	4,244,625	5,420,316	5,374,834
Service:			
Residential	680	704	698
Commercial	42	40	50
Average Annual Gallons Per Residential Customer	37,789	46,611	46,618
Average Annual Revenue Per Residential Customer \$	320.58	\$ 342.19	\$ 228.00
Pumping Cost Per 1,000 Gallons	\$ 1.2333	\$ 0.9306	\$ 0.9373



Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

**Schedule: E-8**  
**Title: Taxes Charged to Operations**

Explanation:  
Schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒ X  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Description	Test Year Ended 30-Jun-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	7,705	7,104	6,341
Total Federal Taxes	\$ 7,705	\$ 7,104	\$ 6,341
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	3,402	2,835	2,520
Total State Taxes	\$ 3,402	\$ 2,835	\$ 2,520
Local Taxes:			
Property	\$ 17,019	\$ 14,769	\$ 20,582
Franchise	6,271	5,719	5,990
Total Local Taxes	\$ 23,290	\$ 20,488	\$ 26,572
Total Taxes	\$ 34,397	\$ 30,426	\$ 35,432

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of Mount Tipton are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year ended 06/30/09, depreciation rates as authorized in Decision 67162 were used for all plant asset categories. Proposed depreciation rates were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Since Mount Tipton is structured as a not-for-profit corporation, income taxes are not included as part of the application.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: F-1  
Title: Projected Income Statements  
Present and Proposed Rates

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	Actual Test Year Ended (a) 31-Dec-08	Projected Year At Present Rates Year Ended (b) 31-Dec-09	At Proposed Rates Year Ended (b) 31-Dec-09
<b>Operating Revenues:</b>			
460 Unmetered Water Revenue	\$ 100	\$ 100	\$ 100
461 Metered Water Revenue	284,304	287,068	365,082
474 Other Water Revenue	29,134	7,324	7,324
<b>Total Operating Revenue</b>	<b>\$ 313,538</b>	<b>\$ 294,492</b>	<b>\$ 372,506</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ 93,529	\$ 93,529	\$ 93,529
610 Purchased Water	4,109	4,109	4,109
615 Purchased Power	36,926	36,926	36,926
618 Chemicals	-	-	-
620 Repairs & Maintenance	7,501	14,364	14,364
621 Office Supplies and Expense	14,126	14,376	14,376
630 Outside Services	7,155	7,155	7,155
635 Water Testing	3,716	3,716	3,716
641 Rental Expense	6,582	6,582	6,582
650 Transportation Expense	9,746	9,746	9,746
657 Insurance - General Liability	22,503	22,503	22,503
659 Insurance - Health and Life	-	-	-
665 Regulatory Commission Expense	5,350	-	-
666 Rate Case Expense	-	6,667	6,667
675 Miscellaneous Expense	12,252	21,361	21,361
403 Depreciation & Amortization	35,093	35,273	35,273
408 Property Taxes	17,019	17,019	17,019
408.1 Taxes Other Than Income	12,538	12,538	12,538
408.2 Franchise Taxes	5,590	6,271	7,832
409 Income Taxes	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 293,735</b>	<b>\$ 312,135</b>	<b>\$ 313,696</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 19,803</b>	<b>\$ (17,643)</b>	<b>\$ 58,811</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ 106	\$ 106	\$ 106
419.1 Rental Income	11,450	11,450	11,450
421 Non-Utility Income	34,837	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	(13,507)	(13,507)	(13,507)
<b>Total Other Income/(Expense)</b>	<b>\$ 32,886</b>	<b>\$ (1,951)</b>	<b>\$ (1,951)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 52,689</b>	<b>\$ (19,594)</b>	<b>\$ 56,860</b>
Earnings per share of average Common Stock Outstanding	N/A	N/A	N/A
% Return on Common Equity	N/A	N/A	N/A

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

**Mount Tipton Water Company, Inc.**

Test Year Ended June 30, 2009

**Schedule: F-3****Title: Projected Construction****Requirements****Explanation:**

Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Property Classification	Actual	Projected
	Test Year Ended 6/30/2009	Year Ended 6/30/2010
Production Plant	\$ 16,567	\$ 140,000
Transmission Plant	-	
Other Plant	5,041	
Total Plant	\$ 21,608	\$ 140,000

NOTE: For combination utilities, the above should be presented by department.

**Supporting Schedules:****Recap Schedules:**

(a) F-2 &amp; A-4

Mount Tipton Water Company, Inc.  
Test Year Ended June 30, 2009

Schedule: F-4  
Title: Assumptions Used in  
Developing Projections

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced customer decline in the past few years, and does not anticipate that will change.**

2 Growth in consumption and customer demand

**Customer count, demand, and consumption has actually been *decreasing*.**

3 Changes in expenses

**The company believes the test year, with the limited proforma adjustments included in this application, accurately depict expense levels going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**Mount Tipton is currently cleaning and putting new pumps into many of the wells, and may possibly drill a new well. They are also putting in a large amount of new meters, which has been an ongoing project.**

5 Capital structure changes

**No changes to the capital structure are anticipated.**

6 Financing costs, interest rates

**Currently, the Company has three loans as depicted on Schedule D-1, that totaled \$777,387 at the end of the test year. Two of the loans are with USRDA for system improvements, both having interest rates of 4.5%, and one is from WIFA to purchase Dolan Springs Water Company in 2001, and make improvements. The interest on that loan is 4.725%.**

Supporting Schedules:

Recap Schedules:

**Mount Tipton Water Company**  
 Test Year Ended June 30, 2009

**Schedule: H-1**  
**Title: Summary of Revenues by Customer**  
**Classification - Present and Proposed Rates**

Explanation:  
 Schedule comparing revenues by customer classification for  
 the Test Year, at present and proposed rates.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
Residential				
5/8 x 3/4 inch	\$ 235,773	\$ 300,844	65,071	27.60%
Commercial				
5/8 x 3/4 inch	19,253	23,897	4,644	24.12%
1 inch	570	1,263	693	121.75%
1.5 inch	3,169	3,908	739	23.31%
2 inch	2,659	3,545	886	33.30%
4 inch	6,231	7,483	1,252	20.09%
Emergency Surcharge	\$ 21,810	-	(21,810)	-100.00%
Coin Operated	\$ 16,650	24,142	7,492	45.00%
<b>Total Water Revenues</b>	<b>\$ 306,114</b>	<b>\$ 365,082</b>	<b>\$ 58,967</b>	<b>19.26%</b>
Other Revenues	\$ 7,424	7,424	-	0.00%
<b>Total Revenues</b>	<b>\$ 313,538</b>	<b>\$ 372,506</b>	<b>\$ 58,967</b>	<b>18.81%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) H-2

Recap Schedules:  
 (b) A-1

**Mount Tipton Water Company**  
Test Year Ended June 30, 2009

**Schedule: H-3**  
**Title: Changes in Representative Rate**  
**Schedules - Page 1 of 2**

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	\$ 19.00	\$ 26.00	37%
3/4" Meter	28.50	39.00	37%
1" Meter	47.50	70.00	47%
1-1/2" Meter	95.00	130.00	37%
2" Meter	152.00	208.00	37%
3" Meter	285.00	416.00	46%
4" Meter	475.00	575.00	21%
6" Meter	950.00	1,300.00	37%
8" Meter	1,425.00	1,950.00	37%

**Commodity Charges Per 1,000 Gallons:**

**5/8 x 3/4 - inch meter**

Tier one: 0 - 4,000 Gallons	\$ 2.45	\$ 2.534
Tier two: 4,001 to 9,000 Gallons	3.20	3.60
Tier three: All Gallons Over 9,000	4.20	4.50

**3/4 - inch meter**

Tier one: 0 - 4,000 Gallons	\$ 2.45	\$ 2.534
Tier two: 4,001 to 15,000 Gallons	3.20	3.60
Tier three: All Gallons Over 15,000	4.20	4.50

**One - inch meter**

Tier one: 0 - 25,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 25,000	4.20	4.50

**One and one half - inch meter**

Tier one: 0 - 50,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 50,000	4.20	4.50

**Two - inch meter**

Tier one: 0 - 125,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 125,000	4.20	4.50

**Three - inch meter**

Tier one: 0 - 250,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 250,000	4.20	4.50

**Four - inch meter**

Tier one: 0 - 400,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 400,000	4.20	4.50

**Six - inch meter**

Tier one: 0 - 825,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 825,000	4.20	4.50

**Eight - inch meter**

Tier one: 0 - 1,250,000 Gallons	\$ 3.20	\$ 3.60
Tier two: All Gallons Over 1,250,000	4.20	4.50

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	\$ 25.00	\$ 30.00	20.00%
Establishment (After Hours)	40.00	45.00	12.50%
Reconnection (Delinquent)	40.00	45.00	12.50%
Reconnection (After Hours)	40.00	45.00	12.50%
Meter Test (If Correct)	40.00	40.00	0.00%
Meter Reread (If Correct)	10.00	20.00	100.00%
NSF Check Charge	15.00	25.00	66.67%
Deposit	*	*	
Deposit Interest (Per Annum)	*	*	
Deferred Payment (Per Month)	**	**	
Late Charge (Per Month)	**	**	
Re-establishment (Within 12 Month	***	***	
Main Extension	N/A	Cost	
Bulk Sales per 1,000 Gallons ≈	\$ 4.20	\$ 6.25	48.81%
Vending rate for 58 gallons	0.25		
Vending rate for 40 gallons		0.25	

**MONTHLY SERVICE CHARGE  
FOR FIRE SPRINKLER:** N/A \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**  
Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$ 438.00	\$ 445.00	\$ 155.00	\$ 600.00	37%
3/4" Meter	462.00	445.00	255.00	700.00	52%
1" Meter	562.00	495.00	315.00	810.00	44%
1-1/2" Meter	838.00	550.00	525.00	1,075.00	28%
2" Meter - Turbine	N/A	830.00	1,045.00	1,875.00	100%
2" Meter - Compound	1,094.00	830.00	1,890.00	2,720.00	149%
3" Meter - Turbine	N/A	1,045.00	1,670.00	2,715.00	100%
3" Meter - Compound	1,281.00	1,165.00	2,545.00	3,710.00	190%
4" Meter - Turbine	N/A	1,490.00	2,670.00	4,160.00	100%
4" Meter - Compound	3,375.00	1,670.00	3,645.00	5,315.00	57%
6" Meter - Turbine	N/A	2,210.00	5,025.00	7,235.00	100%
6" Meter - Compound	4,781.00	2,330.00	6,920.00	9,250.00	93%
8" Meter - Turbine	N/A	3,000.00	7,500.00	10,500.00	100%
8" Meter - Compound	5,000.00	3,200.00	8,000.00	11,200.00	124%

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:



Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 1 of 5

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
5/8" x 3/4" meter - residential and commercial	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	19.00	\$ 26.00	36.84%
1,000	21.45	28.53	33.03%
2,000	23.90	31.07	29.99%
3,000	26.35	33.60	27.52%
4,000	28.80	36.14	25.47%
5,000	32.00	39.74	24.18%
6,000	35.20	43.34	23.11%
7,000	38.40	46.94	22.23%
8,000	41.60	50.54	21.48%
9,000	44.80	54.14	20.84%
10,000	49.00	58.64	19.67%
15,000	70.00	81.14	15.91%
20,000	91.00	103.64	13.89%
25,000	112.00	126.14	12.62%
50,000	217.00	238.64	9.97%
75,000	322.00	351.14	9.05%
100,000	427.00	463.64	8.58%
125,000	532.00	576.14	8.30%
150,000	637.00	688.64	8.11%
175,000	742.00	801.14	7.97%
200,000	847.00	913.64	7.87%

Supporting Schedules:

Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 2 of 5

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying	Class A	<input type="checkbox"/>
consumption levels at present and proposed rates.	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
1 inch meter - commercial	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	47.50	\$ 208.00	337.89%
1,000	50.70	211.60	317.36%
2,000	53.90	215.20	299.26%
3,000	57.10	218.80	283.19%
4,000	60.30	222.40	268.82%
5,000	63.50	226.00	255.91%
6,000	66.70	229.60	244.23%
7,000	69.90	233.20	233.62%
8,000	73.10	236.80	223.94%
9,000	76.30	240.40	215.07%
10,000	79.50	244.00	206.92%
15,000	95.50	262.00	174.35%
20,000	111.50	280.00	151.12%
25,000	127.50	298.00	133.73%
50,000	232.50	410.50	76.56%
75,000	337.50	523.00	54.96%
100,000	442.50	635.50	43.62%
125,000	547.50	748.00	36.62%
150,000	652.50	860.50	31.88%
175,000	757.50	973.00	28.45%
200,000	862.50	1,085.50	25.86%

Supporting Schedules:

Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 3 of 5

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying	Class A	<input type="checkbox"/>
consumption levels at present and proposed rates.	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
1.5 inch meter - commercial	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	95.00	\$ 130.00	36.84%
1,000	98.20	133.60	36.05%
2,000	101.40	137.20	35.31%
3,000	104.60	140.80	34.61%
4,000	107.80	144.40	33.95%
5,000	111.00	148.00	33.33%
6,000	114.20	151.60	32.75%
7,000	117.40	155.20	32.20%
8,000	120.60	158.80	31.67%
9,000	123.80	162.40	31.18%
10,000	127.00	166.00	30.71%
15,000	143.00	184.00	28.67%
20,000	159.00	202.00	27.04%
25,000	175.00	220.00	25.71%
50,000	255.00	310.00	21.57%
75,000	340.00	332.50	-2.21%
100,000	445.00	564.00	26.74%
125,000	550.00	647.50	17.73%
150,000	655.00	760.00	16.03%
175,000	760.00	872.50	14.80%
200,000	865.00	985.00	13.87%

Supporting Schedules:

**Mount Tipton Water Company**  
Test Year Ended June 30, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 4 of 5**

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying	Class A	<input type="checkbox"/>
consumption levels at present and proposed rates.	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
2 inch meter - commercial	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	152.00	\$ 208.00	36.84%
1,000	155.20	211.60	36.34%
2,000	158.40	215.20	35.86%
3,000	161.60	218.80	35.40%
4,000	164.80	222.40	34.95%
5,000	168.00	226.00	34.52%
6,000	171.20	229.60	34.11%
7,000	174.40	233.20	33.72%
8,000	177.60	236.80	33.33%
9,000	180.80	240.40	32.96%
10,000	184.00	244.00	32.61%
15,000	200.00	262.00	31.00%
20,000	216.00	280.00	29.63%
25,000	232.00	298.00	28.45%
50,000	312.00	388.00	24.36%
75,000	392.00	478.00	21.94%
100,000	472.00	568.00	20.34%
125,000	552.00	658.00	19.20%
150,000	657.00	770.50	17.28%
175,000	762.00	883.00	15.88%
200,000	867.00	995.50	14.82%

Supporting Schedules:

Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 5 of 5

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
4 inch meter - commercial	Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	475.00	\$ 575.00	21.05%
1,000	478.20	578.60	21.00%
2,000	481.40	582.20	20.94%
3,000	484.60	585.80	20.88%
4,000	487.80	589.40	20.83%
5,000	491.00	593.00	20.77%
6,000	494.20	596.60	20.72%
7,000	497.40	600.20	20.67%
8,000	500.60	603.80	20.62%
9,000	503.80	607.40	20.56%
10,000	507.00	611.00	20.51%
15,000	523.00	629.00	20.27%
20,000	539.00	647.00	20.04%
25,000	555.00	665.00	19.82%
50,000	635.00	755.00	18.90%
75,000	715.00	845.00	18.18%
100,000	795.00	935.00	17.61%
125,000	875.00	1,025.00	17.14%
150,000	955.00	1,115.00	16.75%
175,000	1,035.00	1,205.00	16.43%
200,000	1,115.00	1,295.00	16.14%

Supporting Schedules:

**Mount Tipton Water Company**

Test Year Ended June 30, 2009

**Schedule: H-5**

**Title: Bill Count**

**Page 1 of 6**

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - Residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	1,249	-	1,249	15.31%	-	0.00%
1 to 1,000	1,332	666,000	2,581	31.64%	666,000	2.30%
1,001 to 2,000	1,191	1,786,500	3,772	46.24%	2,452,500	8.47%
2,001 to 3,000	1,006	2,515,000	4,778	58.58%	4,967,500	17.15%
3,001 to 4,000	876	3,066,000	5,654	69.31%	8,033,500	27.73%
4,001 to 5,000	605	2,722,500	6,259	76.73%	10,756,000	37.13%
5,001 to 6,000	496	2,728,000	6,755	82.81%	13,484,000	46.55%
6,001 to 7,000	319	2,073,500	7,074	86.72%	15,557,500	53.70%
7,001 to 8,000	242	1,815,000	7,316	89.69%	17,372,500	59.97%
8,001 to 9,000	180	1,530,000	7,496	91.90%	18,902,500	65.25%
9,001 to 10,000	120	1,140,000	7,616	93.37%	20,042,500	69.18%
10,001 to 12,000	173	1,903,000	7,789	95.49%	21,945,500	75.75%
12,001 to 14,000	117	1,521,000	7,906	96.92%	23,466,500	81.00%
14,001 to 16,000	72	1,080,000	7,978	97.81%	24,546,500	84.73%
16,001 to 18,000	45	765,000	8,023	98.36%	25,311,500	87.37%
18,001 to 20,000	35	665,000	8,058	98.79%	25,976,500	89.67%
20,001 to 25,000	39	877,500	8,097	99.26%	26,854,000	92.70%
25,001 to 30,000	28	770,000	8,125	99.61%	27,624,000	95.35%
30,001 to 35,000	14	455,000	8,139	99.78%	28,079,000	96.93%
35,001 to 40,000	8	300,000	8,147	99.88%	28,379,000	97.96%
40,001 to 50,000	6	270,000	8,153	99.95%	28,649,000	98.89%
50,001 to 60,000	1	55,000	8,154	99.96%	28,704,000	99.08%
60,001 to 70,000	2	130,000	8,156	99.99%	28,834,000	99.53%
70,001 to 80,000		-	8,156	99.99%	28,834,000	99.53%
80,001 to 90,000		-	8,156	99.99%	28,834,000	99.53%
90,001 to 100,000		-	8,156	99.99%	28,834,000	99.53%
135,640	1	135,640	8,157	100.00%	28,969,640	100.00%
	8,157	28,969,640				

Average Number of Customers 680

Average Consumption 3,552

Median Consumption 2,305

Supporting Schedules:

Recap Schedules:

**Mount Tipton Water Company**  
Test Year Ended June 30, 2009

**Schedule: H-5**  
**Title: Bill Count**  
**Page 2 of 6**

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - Commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	8	-	8	1.77%	-	0.00%
1 to 1,000	143	71,500	151	33.33%	71,500	2.20%
1,001 to 2,000	81	121,500	232	51.21%	193,000	5.94%
2,001 to 3,000	49	122,500	281	62.03%	315,500	9.71%
3,001 to 4,000	20	70,000	301	66.45%	385,500	11.86%
4,001 to 5,000	12	54,000	313	69.09%	439,500	13.52%
5,001 to 6,000	12	66,000	325	71.74%	505,500	15.55%
6,001 to 7,000	13	84,500	338	74.61%	590,000	18.15%
7,001 to 8,000	6	45,000	344	75.94%	635,000	19.53%
8,001 to 9,000	10	85,000	354	78.15%	720,000	22.15%
9,001 to 10,000	9	85,500	363	80.13%	805,500	24.78%
10,001 to 12,000	10	110,000	373	82.34%	915,500	28.16%
12,001 to 14,000	7	91,000	380	83.89%	1,006,500	30.96%
14,001 to 16,000	14	210,000	394	86.98%	1,216,500	37.42%
16,001 to 18,000	7	119,000	401	88.52%	1,335,500	41.08%
18,001 to 20,000	7	133,000	408	90.07%	1,468,500	45.18%
20,001 to 25,000	10	225,000	418	92.27%	1,693,500	52.10%
25,001 to 30,000	12	330,000	430	94.92%	2,023,500	62.25%
30,001 to 35,000	10	325,000	440	97.13%	2,348,500	72.25%
35,001 to 40,000	1	37,500	441	97.35%	2,386,000	73.40%
40,001 to 50,000	4	180,000	445	98.23%	2,566,000	78.94%
50,001 to 60,000	3	165,000	448	98.90%	2,731,000	84.02%
60,001 to 70,000	2	130,000	450	99.34%	2,861,000	88.01%
70,001 to 80,000	1	75,000	451	99.56%	2,936,000	90.32%
80,001 to 90,000	-	-	451	99.56%	2,936,000	90.32%
90,001 to 100,000	1	95,000	452	99.78%	3,031,000	93.24%
219,600	1	219,600	453	100.00%	3,250,600	100.00%
	453	3,250,600				

Average Number of Customers 38  
Average Consumption 7,176  
Median Consumption 1,932

Supporting Schedules:

Recap Schedules:

**Mount Tipton Water Company**

Test Year Ended June 30, 2009

**Schedule: H-5**

**Title: Bill Count**

**Page 3 of 6**

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - Commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000		-	-	0.00%	-	0.00%
2,001 to 3,000		-	-	0.00%	-	0.00%
3,001 to 4,000		-	-	0.00%	-	0.00%
4,001 to 5,000	1	4,500	1	8.33%	4,500	3.83%
5,001 to 6,000		-	1	8.33%	4,500	3.83%
6,001 to 7,000		-	1	8.33%	4,500	3.83%
7,001 to 8,000	1	7,500	2	16.67%	12,000	10.21%
8,001 to 9,000	1	8,500	3	25.00%	20,500	17.45%
9,001 to 10,000	4	38,000	7	58.33%	58,500	49.79%
10,001 to 12,000	4	44,000	11	91.67%	102,500	87.23%
12,001 to 14,000		-	11	91.67%	102,500	87.23%
14,001 to 16,000	1	15,000	12	100.00%	117,500	100.00%
16,001 to 18,000		-	12	100.00%	117,500	100.00%
18,001 to 20,000		-	12	100.00%	117,500	100.00%
20,001 to 25,000		-	12	100.00%	117,500	100.00%
25,001 to 30,000		-	12	100.00%	117,500	100.00%
30,001 to 35,000		-	12	100.00%	117,500	100.00%
35,001 to 40,000		-	12	100.00%	117,500	100.00%
40,001 to 50,000		-	12	100.00%	117,500	100.00%
50,001 to 60,000		-	12	100.00%	117,500	100.00%
60,001 to 70,000		-	12	100.00%	117,500	100.00%
70,001 to 80,000		-	12	100.00%	117,500	100.00%
80,001 to 90,000		-	12	100.00%	117,500	100.00%
90,001 to 100,000		-	12	100.00%	117,500	100.00%
		-	12	100.00%	117,500	100.00%
	12	117,500				

Average Number of Customers 1

Average Consumption 9,792

Median Consumption 9,750

Supporting Schedules:

Recap Schedules:



Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 4 of 6

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter - Commercial

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1 to 1,000		-	-	0.00%	-	0.00%
1,001 to 2,000		-	-	0.00%	-	0.00%
2,001 to 3,000		-	-	0.00%	-	0.00%
3,001 to 4,000		-	-	0.00%	-	0.00%
4,001 to 5,000		-	-	0.00%	-	0.00%
5,001 to 6,000		-	-	0.00%	-	0.00%
6,001 to 7,000		-	-	0.00%	-	0.00%
7,001 to 8,000		-	-	0.00%	-	0.00%
8,001 to 9,000		-	-	0.00%	-	0.00%
9,001 to 10,000		-	-	0.00%	-	0.00%
10,001 to 12,000		-	-	0.00%	-	0.00%
12,001 to 14,000		-	-	0.00%	-	0.00%
14,001 to 16,000		-	-	0.00%	-	0.00%
16,001 to 18,000		-	-	0.00%	-	0.00%
18,001 to 20,000		-	-	0.00%	-	0.00%
20,001 to 25,000	2	45,000	2	16.67%	45,000	7.25%
25,001 to 30,000	1	27,500	3	25.00%	72,500	11.68%
30,001 to 35,000		-	3	25.00%	72,500	11.68%
35,001 to 40,000	1	37,500	4	33.33%	110,000	17.72%
40,001 to 50,000	3	135,000	7	58.33%	245,000	39.47%
50,001 to 60,000	2	110,000	9	75.00%	355,000	57.19%
60,001 to 70,000		-	9	75.00%	355,000	57.19%
70,001 to 80,000	2	150,000	11	91.67%	505,000	81.36%
80,001 to 90,000		-	11	91.67%	505,000	81.36%
90,001 to 100,000		-	11	91.67%	505,000	81.36%
115,720	1	115,720	12	100.00%	620,720	100.00%
	12	620,720				

Average Number of Customers 1  
Average Consumption 51,727  
Median Consumption 40,667

Supporting Schedules:

Recap Schedules:

Mount Tipton Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 5 of 6

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter - Commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	3	-	3	20.00%	-	0.00%
1 to 1,000	1	500	4	26.67%	500	0.42%
1,001 to 2,000		-	4	26.67%	500	0.42%
2,001 to 3,000		-	4	26.67%	500	0.42%
3,001 to 4,000	3	10,500	7	46.67%	11,000	9.32%
4,001 to 5,000	1	4,500	8	53.33%	15,500	13.14%
5,001 to 6,000	3	16,500	11	73.33%	32,000	27.12%
6,001 to 7,000	1	6,500	12	80.00%	38,500	32.63%
7,001 to 8,000		-	12	80.00%	38,500	32.63%
8,001 to 9,000		-	12	80.00%	38,500	32.63%
9,001 to 10,000	1	9,500	13	86.67%	48,000	40.68%
10,001 to 12,000		-	13	86.67%	48,000	40.68%
12,001 to 14,000		-	13	86.67%	48,000	40.68%
14,001 to 16,000	1	15,000	14	93.33%	63,000	53.39%
16,001 to 18,000		-	14	93.33%	63,000	53.39%
18,001 to 20,000		-	14	93.33%	63,000	53.39%
20,001 to 25,000		-	14	93.33%	63,000	53.39%
25,001 to 30,000		-	14	93.33%	63,000	53.39%
30,001 to 35,000		-	14	93.33%	63,000	53.39%
35,001 to 40,000		-	14	93.33%	63,000	53.39%
40,001 to 50,000		-	14	93.33%	63,000	53.39%
50,001 to 60,000	1	55,000	15	100.00%	118,000	100.00%
60,001 to 70,000		-	15	100.00%	118,000	100.00%
70,001 to 80,000		-	15	100.00%	118,000	100.00%
80,001 to 90,000		-	15	100.00%	118,000	100.00%
90,001 to 100,000		-	15	100.00%	118,000	100.00%
	15	118,000				

Average Number of Customers 1  
Average Consumption 7,867  
Median Consumption 4,500

Supporting Schedules:

Recap Schedules:

**Mount Tipton Water Company**

Test Year Ended June 30, 2009

**Schedule: H-5**

**Title: Bill Count**

**Page 5 of 6**

**Explanation:**

Schedule(s) showing billing activity by block for each rate schedule.

4 inch meter - Commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-		-	-	0.00%	-	0.00%
1 to 1,000	1	500	1	8.33%	500	0.31%
1,001 to 2,000		-	1	8.33%	500	0.31%
2,001 to 3,000		-	1	8.33%	500	0.31%
3,001 to 4,000		-	1	8.33%	500	0.31%
4,001 to 5,000		-	1	8.33%	500	0.31%
5,001 to 6,000	1	5,500	2	16.67%	6,000	3.70%
6,001 to 7,000	1	6,500	3	25.00%	12,500	7.72%
7,001 to 8,000		-	3	25.00%	12,500	7.72%
8,001 to 9,000		-	3	25.00%	12,500	7.72%
9,001 to 10,000		-	3	25.00%	12,500	7.72%
10,001 to 12,000	2	22,000	5	41.67%	34,500	21.30%
12,001 to 14,000	1	13,000	6	50.00%	47,500	29.32%
14,001 to 16,000	2	30,000	8	66.67%	77,500	47.84%
16,001 to 18,000	1	17,000	9	75.00%	94,500	58.33%
18,001 to 20,000		-	9	75.00%	94,500	58.33%
20,001 to 25,000	3	67,500	12	100.00%	162,000	100.00%
25,001 to 30,000		-	12	100.00%	162,000	100.00%
30,001 to 35,000		-	12	100.00%	162,000	100.00%
35,001 to 40,000		-	12	100.00%	162,000	100.00%
40,001 to 50,000		-	12	100.00%	162,000	100.00%
50,001 to 60,000		-	12	100.00%	162,000	100.00%
60,001 to 70,000		-	12	100.00%	162,000	100.00%
70,001 to 80,000		-	12	100.00%	162,000	100.00%
80,001 to 90,000		-	12	100.00%	162,000	100.00%
90,001 to 100,000		-	12	100.00%	162,000	100.00%
115,720		-	12	100.00%	162,000	100.00%
	12	162,000				

Average Number of Customers	1
Average Consumption	13,500
Median Consumption	14,000

Supporting Schedules:

Recap Schedules:

# **EXHIBIT 3**

## WATER USE DATA SHEET

<b>NAME OF COMPANY</b>	Mount Tipton Water Company, Inc.
<b>ADEQ Public Water System Number:</b>	08-069

<b>MONTH/YEAR (12 Months of Test Year)</b>	<b>NUMBER OF CUSTOMERS</b>	<b>GALLONS SOLD (Thousands)</b>	<b>GALLONS PUMPED (Thousands)</b>
1. July 2008	750	4,259,540	5,425,233
2. August 2008	754	3,203,970	5,165,015
3. September 2008	749	3,610,330	4,730,754
4. October 2008	738	3,629,790	4,016,674
5. November 2008	740	2,596,730	3,247,050
6. December 2008	737	2,422,265	3,379,220
7. January 2009	740	3,117,720	3,798,060
8. February 2009	742	1,782,665	3,087,910
9. March 2009	734	2,723,865	3,574,730
10. April 2009	727	3,331,710	3,647,860
11. May 2009	728	3,610,020	4,629,280
12. June 2009	721	3,604,650	4,536,400
			*
<b>TOTAL</b>	N/A	37,893,255	49,238,186

**Is the water utility located in an ADWR Active Management Area ("AMA")?**

YES                      NO

**Does the Company have an ADWR gallons per capita day ("GPCD") requirement?**

YES                      NO

**If Yes, please provide the GPCD amount:**      N/A

*Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

*\* Gallons pumped cannot equal or be less than the gallons sold.*

# **EXHIBIT 4**

Company Name: Mount Tipton Water Company, Inc.		Test Year Ended: 30-Jun-09
ADEQ PWS	08-069	

### WATER COMPANY PLANT DESCRIPTION

#### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-510178	15	40	900	8	2	1935
55-601846	15	20	465	8	2	1966
55-606511	20	20	600	8	2	1972
55-601848	2	20	147	2	1	1972
55-601847	40	21	500	6	2	1978
55-502441	50	240	640	8	4 & 3	1982
55-508835	20	19 & 20	700	8	2	1984
55-520733	5	10	540	8	2	1988

\* Arizona Department of Water Resources Identification Number

#### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

#### BOOSTER PUMPS

Horsepower	Quantity
10.0	1
7.5	1
5.0	2
3.0	1

#### FIRE HYDRANTS

Quantity Standard	Quantity Other
	3 blow off

#### STORAGE TANKS

Capacity	Quantity
200,000	1
100,000	2
55,000	1
50,000	2
25,000	1
10,000	3
8,500	1

#### PRESSURE TANKS

Capacity	Quantity
1,000	1

Company Name: Mount Tipton Water Company, Inc.	Test Year Ended: 30-Jun-09
ADEQ PWS 08-069	

### MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	8,945
3		680
4		2,964
5		
6		76,580
8		11,490
10		
12		
16		
18		

### CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	905
3/4	
1	1
1 1/2	1
2	2
Comp. 3	
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	
Turbo 6	

**For the following three items, please list the utility owned assets in each category.**

#### TREATMENT EQUIPMENT:

None

#### STRUCTURES:

2 office buildings, pump house, fencing, and landscaping.

#### OTHER:




# **EXHIBIT 5**

**Arizona Department of Environmental Quality**  
**Drinking Water Monitoring and Protection Unit**  
 Mail Code 5415B-2  
 1110 West Washington Street  
 Phoenix, AZ 85007

### Drinking Water Compliance Status Report

<b>System Name:</b>	<b>System Type:</b>	<b>Is system connected?</b>
MT TIPTON WATER CO INC	<input checked="" type="checkbox"/> Community	<input type="checkbox"/> Yes, to PWS #
<b>SV (amld):</b>	<input type="checkbox"/> Non-transient Non-community	<input checked="" type="checkbox"/> No
08059	<input type="checkbox"/> Transient Non-community	

<b>Overall compliance:</b>	<input type="checkbox"/> No major deficiencies	<input checked="" type="checkbox"/> Major deficiencies
<b>Monitoring and reporting status:</b>	<input type="checkbox"/> No major deficiencies	<input checked="" type="checkbox"/> Major deficiencies

Comments: The system has not submitted the 2007 or 2008 Consumer Confidence Report (CCR). The CCR is due every year by July 1<sup>st</sup> for the previous calendar year.

<b>Operation and Maintenance Status:</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Date of last sanitary survey:</b>	8/28/08	<b>Inspector:</b> Andy Wilson, NRO

Major unresolved/ongoing operation and maintenance deficiencies:

<input type="checkbox"/> unable to maintain 20psi	<input type="checkbox"/> inadequate storage
<input type="checkbox"/> cross connection/backflow problems	<input type="checkbox"/> surface water treatment rule
<input type="checkbox"/> treatment deficiencies	<input type="checkbox"/> ATC/AOC
<input type="checkbox"/> certified operator	<input type="checkbox"/> other =

Comments: Significant deficiencies identified during the Sanitary Survey on treatment, distribution system, and monitoring and reporting have been addressed.

<b>Is ADEQ Administrative Order in effect?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
--	------------------------------	--

Comments: None

<b>Population Served:</b>	3900
<b>Service Connections:</b>	898
<b>Number of Public Poles on the Distribution System:</b>	6
<b>Number of Reservoirs:</b>	8
<b>Initial Monitoring Year:</b>	1994
<b>Monitoring/Assurance Program (M/A) System:</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by:</b>	Donna Calderon, Manager <i>DC</i>
<b>Drinking Water Monitoring and Protection Unit</b>	
<b>Phone:</b>	602-771-4641
<b>Date:</b>	October 23, 2009

☐ Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and **PWS is in compliance.**

☒ Based upon the monitoring and reporting deficiencies noted above, ADEQ **cannot determine** if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or **PWS is not in compliance.**

☐ Based upon the operation and maintenance deficiencies noted above, ADEQ **cannot determine** if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or **PWS is not in compliance.**

***This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.***

# **EXHIBIT 6**



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 7344	Invoice Number 65997
To: MT TIPTON WATER CO PO BOX 38 DOLAN SPRINGS AZ 86441-0038	Public Water System ID #: 08059
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due ..... \$ <del>2,557.86</del>
	Amount Paid ..... \$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 65997

MT TIPTON WATER CO PO BOX 38 DOLAN SPRINGS AZ 86441-0038	Owner Id #: 7344 MAP
	Billing for Calendar Year: 2010
	Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET

Base Fee (all MAP systems) .....		\$ 250.00
Fee per Connection in 2010. ....	910 connections X \$ 2.57	\$ 2,338.70
Total Sampling Fee .....		\$ 2,588.70
Plus Paid Interest Charges and/or Other Adjustments .....		\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009 .....		\$ 0.00
Minus Payments Received and/or Other Adjustments .....		\$ 0.00
Amount Due .....		\$ 2,588.70
Amount received by ADEQ (Make check payable to State of Arizona) .....		\$

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS3 10/27/2009  
WM300Gu



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

RECEIVED  
OCT 8 2008

\* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 7344	Invoice Number 65105
To: MT TIPTON WATER CO PO BOX 38 DOLAN SPRINGS AZ 86441-0038	Public Water System ID #: 08059
	Billing for Calendar Year: 2009
	Due Date: November 17, 2008
	Total Amount Due ..... \$ 1,460.47
	Amount Paid ..... \$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 65105

MT TIPTON WATER CO PO BOX 38 DOLAN SPRINGS AZ 86441-0038	Owner Id #: 7344 MAP
	Billing for Calendar Year: 2009
	Due Date: 11/17/2008

ANNUAL SAMPLING FEE WORKSHEET

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2009 . . . . . 471 connections X \$ 2.57	\$ 1,210.47
Total Sampling Fee	\$ 1,460.47
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/01/2008	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 1,460.47
Amount received by ADEQ (Make check payable to State of Arizona)	\$

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to **State of Arizona**  
**THIS FORM MUST ACCOMPANY YOUR REMITTANCE.**

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS3 10/01/2008  
WM300Go

Mt. Tipton Water Co., Inc./P.O. Box 38

State of Arizona  
Date : Type Reference  
10/22/2008 Bill 65105

Original Amt.  
1,460.47

3/12/2009  
Balance Due Discount  
1,460.47  
Check Amount

8114  
F  
1  
1

Cash in Bank-Stockm

Mt. Tipton Water Co., Inc./P.O. Box 38

State of Arizona  
Date Type Reference  
10/22/2008 Bill 65105

Original Amt.  
1,460.47

3/12/2009  
Balance Due Discount  
1,460.47  
Check Amount

8114  
F  
1  
1

Cash in Bank-Stockm

